

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

NOV 01 2012

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. **NMSF-078863**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
KRAUSE WN FEDERAL #1E

2. Name of Operator
XTO ENERGY INC.

9. API Well No.
30-045-24210

3a. Address **382 CR 3100, AZTEC, NM 87410**
3b. Phone No. (include area code) **505-333-3630**

10. Field and Pool, or Exploratory Area
BASIN DAKOTA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
790' ENL & 1520' FWL NENW Sec. 32 (C) - T28N-R11W N.M.P.M.

11. County or Parish, State
SAN JUAN NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Acidize
- Alter Casing
- Casing Repair
- Change Plans
- Convert to Injection
- Deepen
- Fracture Treat
- New Construction
- Plug and Abandon
- Plug Back
- Production (Start/Resume)
- Reclamation
- Recomplete
- Temporarily Abandon
- Water Disposal
- Water Shut-Off
- Well Integrity
- Other **RECOMPLETE**

KUTZ GALLUP & FWOP

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

XTO Energy Inc. proposes to recomplete this well to the Kutz Gallup formation per the attached procedure. Please see also the attached WB Diagram, formation tops & Kutz Gallup C102 plat.

An application to DHC will be submitted separately. XTO Energy Inc. will obtain the DHC order before commingling.

RCVD NOV 21 '12
OIL CONS. DIV.
DIST. 3

Hold C104 for NSL

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

SHERRY J. MORROW

Title **REGULATORY ANALYST**

Signature *Sherry J. Morrow*

Date **10/30/2012**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]*

Title **Petr. Eng.**

Date **11/19/12**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

NMUCD 17

Krause WN Federal #1E
Sec 32, T28N, R11W
San Juan County, New Mexico
API: 30-045-24210

Add Gallup zone and PWOP

SURF CSG: 8-5/8", 24#, J-55 ST&C Csg @ 759'. Parted 580'-598'. Cmt'd to surface w/ 525 sx

PROD CSG: 4-1/2", 10.5#, K-55, ST&C Csg @ 6359'. DV @ 1940' PBTB @ 6,337'

PERFS: Dakota: 6145'-49', 6151'-58', 6164'-72', 6181'-83'

Workover Procedure Summary

MIRU. Set CBP on electric line at $\pm 6000'$. Run GR/CBL/CCL logs from CBP-surface. Evaluate cement bond across Gallup interval. Review CBL w/ regulatory agencies prior to perforating. Perforate Gallup from 5,468' – 5,692' with 3-1/8" csg gun, 0.32"EHD, 25 holes. Acidize with 1,000 gals of 15% NEFE HCl acid. Frac Gallup perms fr/ 5468'-5692' w/foamed gel carrying 157,250# 20/40 proppant followed by 30,000# 20/40 CRC. Clean out wellbore to PBTB @ $\pm 6,337'$. Circulate wellbore until returns are clean. Swab test to evaluate entry, consider plunger lift or rod pump operation.

If plunger lift operation, land tubing at $+5900'$, ND BOP and NU wellhead. Install lubricator.

If rod pump operation, rerun tubing string as follows: 30' OEMA, SN, 30-jts 2 3/8"EUE, full opening TAC, 2 3/8" EUE tubing to surface. Land w/ EOT @ $\pm 6250'$, SN @ $\pm 6220'$ TAC @ $\pm 5300'$. ND BOP, NU WH.

TIH with rod string. RDMO.

Regulatory:

1. Approval to recomplete to the Gallup
2. DHC approval of the Dakota and Gallup
3. C-104 approval

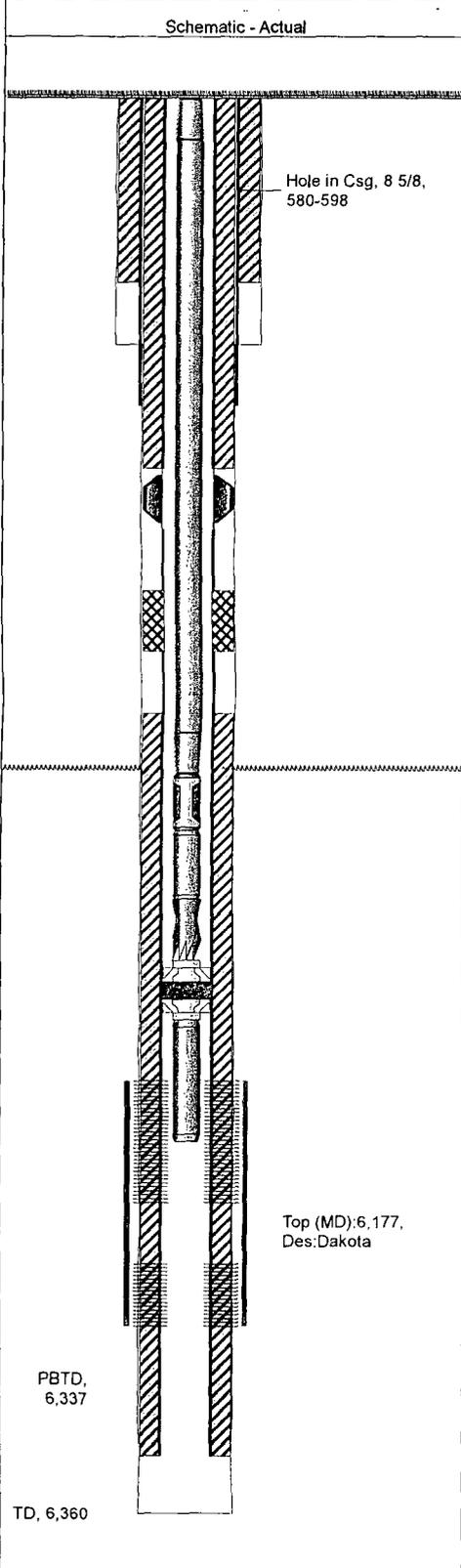


XTO - Wellbore Diagram

Well Name: Krause WN Federal 01E

API/UVI 30045242100000	E/W Dist (ft) 1,520.0	E/W Ref FWL	N/S Dist (ft) 790.0	N/S Ref FNL	Location T28N-R11W-S32	Field Name Basin Dakota	County San Juan	State New Mexico
Well Configuration Type Vertical	XTO ID B 70619	Orig KB Elev (ft) 5,912.00	Gr Elev (ft) 5,898.00	KB-Grd (ft) 14.00	Spud Date 4/25/1980	PBTD (All) (ftKB) Original Hole - 6337.0	Total Depth (ftKB) 6,360.0	Method Of Production Plunger Lift

Well Config: Vertical - Original Hole, 6/27/2012 9:37:43 AM



Zones		Top (ftKB)		Btm (ftKB)	
Dakota		6,177.0		6,287.0	
Casing Strings					
14	Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection
	Surface	8 5/8	24.00	J-55	759.0
580	Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection
	Production	4 1/2	10.50	J-55	6,359.0
	Item Description	OD (in)	Wt (lbs/ft)	Grade	Top (ftKB)
	DV Tool	4 1/2			1,940.0
					Bottom (ftKB)
					1,942.0
Cement					
	Description	Type	String		
726	Surface Casing Cement	casing	Surface, 759.0ftKB		
	Comment				
	Cmt'd w/525 sx CI "B" cmt w/2% CaCl2 & 1/4#/sx Floseal. Circ cmt to surf.				
754	Description	Type	String		
	Production Casing Cement	casing	Production, 6,359.0ftKB		
	Comment				
759	Cmt'd 1st stage w/500 sx Halliburton Lite cmt w/10# gilsonite/sx & 3/4% CFR-2. Tailed in w/300 sx 50:50 poz cmt w/2% gel & 3/4% CFR-2. Cmt'd 2nd stage w/350 sx Halliburton Lite cmt w/2%CaCl2 & 3/4% CFR-2. Tailed in w/200 sx 50:50 poz cmt w/2% gel & 3/4% CFR-2.				
1,940	Description	Type	String		
	Cement Squeeze	squeeze	Production, 6,359.0ftKB		
	Comment				
3,396	Perforations				
3,414	Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)
	5/30/1980	6,177.0	6,210.0		
3,500	5/30/1980	6,257.0	6,287.0	1.0	
					Zone
					Dakota
					Dakota
Tubing Strings					
6,098	Tubing Description	Run Date	Set Depth (ftKB)		
	Tubing - Production	4/9/1983	6,194.0		
Tubing Components					
6,099	Item Description	Jts	Model	OD (in)	Wt (lbs/ft)
	Tubing	199	T&C Upset	2 3/8	4.70
				Gra...	Top Thread
					Len (ft)
					Top (ftKB)
					Btm (ftKB)
6,129	Seat Nipple	1		2 3/8	
					1.00
6,131	Tubing	1	T&C Upset	2 3/8	4.70
				J-55	
					30.00
					6,099.0
					6,129.0
6,134	On-Off Tool			2 3/8	
				B... FL	
					2.00
					6,129.0
6,177	Packer			2 3/8	
				M... A-2	
					3.00
					6,131.0
6,194	Tubing	2	T&C Upset	2 3/8	4.70
				J-55	
					60.00
					6,134.0
					6,194.0
Rods					
6,210	Rod Description	Run Date	String Length (ft)		Set Depth (ftKB)
Rod Components					
6,257	Item Description	Jts	Model	OD (in)	Grade
					Len (ft)
					Top (ftKB)
					Btm (ftKB)
Stimulations & Treatments					
6,287	Frac Start Date	Top Perf (ft...)	Bottom Pe...	V (slurry) (...)	Total Prop...
	5/30/1980	6177	6287		
				AIR (b...)	ATP (psi)
				MTP (psi)	ISIP (psi)
6,337	Comment				
6,359					
6,360					

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in Item 22, and in Item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in Item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
NO CORES & NO DST'S				Pictured Cliffs	1660'	
				Lewis Shale	1816'	
				Mesaverde	3248'	
				Upper Mancos	4408'	
				Gallup	5280'	
				Greenhorn	6070'	
				Graneros	6132'	
				Dakota	6241'	
#32. 6177'-6287'			84,000 gals 2% KCL wtr & 264,000# 20/40 mesh sand			

RECEIVED

State of New Mexico

Form C-102

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

NOV 01 2012
Revised October 19, 2009
Submit one copy to appropriate District Office
Farrington Field Office
Bureau of Land Management

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-24210		² Pool Code 36550		³ Pool Name KUTZ GALLUP	
⁴ Property Code 22755		⁵ Property Name KRAUSE WN FEDERAL			⁶ Well Number #1E
⁷ GRID No. 5380		⁸ Operator Name XTO ENERGY INC.			⁹ Elevation 5898'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	32	28N	11W		790'	NORTH	1520'	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
SAME									

¹² Dedicated Acres GP: 40 ACRES	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>KUTZ GALLUP</p>	<p>32</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p>
			<p>Signature <i>Sherry J. Morrow</i> Printed Name SHERRY J. MORROW Title REGULATORY ANALYST Date 10/30/2012</p>
			<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true & correct to the best of my belief.</i></p>
			<p>6/23/1984 Date of Survey Original Survey Signed By: John A. Vukonich 14831 Certificate Number</p>